April 30, 2003

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FILE: TPP (M) (512) 416-2349

Ms. Jaya Zyman-Ponebshek URS Corporation P.O. Box 201088 Austin, Texas 78720-1088

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company -

Construction and Operation Exemption - Medina County, Texas

Dear Ms. Zyman-Poneshek:

The Texas Department of Transportation (TxDOT) has reviewed the documents supplied by the Surface Transportation Board (STB), in relation to STB Finance Docket No. 34284. Southwest Gulf Railroad Company (SGR) has filed a petition for exemption from certain requirements of 49 U.S.C 10901 in this docket, and seeks authority to construct approximately seven miles of railroad track in Medina County, Texas. TxDOT offers the following comments and information in regards to that application.

SGR states in their petition that the area of their planned quarry and railroad construction is mostly rural and composed of farmland and pastureland. The preferred route would cross a state roadway, FM 2676, as well as several county and local roads. TxDOT is concerned about the impact that an estimated four, one-hundred car trains crossing FM 2676 would have upon the safety of the local community and traveling public. Hondo Independent School District has three bus routes and Medina Valley Independent School District has one bus route that travels along FM 2676 and cross the preferred route twice daily. In addition, there is a large agricultural supply business at the eastern terminus of FM 2676, which provides significant quantities of fertilizer and insecticides to the surrounding area. FM 2676 is abutted by numerous working farms and ranches that utilize these materials on a daily basis. The combination of school children traveling along the route and the transportation of potentially hazardous materials present significant safety concerns at highway-rail grade crossings.

TxDOT's focus on transportation issues throughout the state is multimodal in nature and we appreciate the economic and efficiency benefits provided by the utilization of freight rail transportation. Texas ranks number one in the United States in total number of railroad track miles, second in number of freight railroads operating within the state, fifth in rail traffic transported within the state, and first in number of grade crossing fatalities. As you are aware, the Federal Railroad Administration is encouraging states

to reduce the number of at-grade crossings by consolidating crossings, closing crossings, and grade-separating crossings wherever possible. We are requesting that STB require SGR to construct a grade-separation at FM 2676 to eliminate all highway-rail grade crossing conflicts. We believe a grade-separation at this location would increase the safety of the traveling public, as well as improve the efficiency of the proposed rail operations and any future increase in operations along the route.

Please contact Mario Medina, Director, Multimodal Section, at (512) 416-2349, if you have any further questions regarding this matter.

Sincerely, James K. Rendall

James L. Randall, P.E.
Director, Transportation
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Victoria Rutson, Surface Transportation Board
 Wayne A. Dennis, P. E., Deputy Director, Transportation Planning and
 Programming Division, TxDOT
 Mario G. Medina, P.E., Transportation Planning and Programming Division,
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